



## Homebuyer Fact Sheet

Now is an excellent time to buy a home in the City of Chicago. A variety of affordably priced units are available, allowing you to live close to work, shopping, and amenities. The current market also offers several benefits:

- Mortgage interest rates are at their lowest level in 30 years.
- Traditional homeowner income tax benefits.
- Homeownership is still a good long-term investment.
  - Stabilize your housing costs and put down roots in a community.
  - Historically, housing values have increased over the long-term.
- It is a buyer's market – buyers with good credit, low debt and stable jobs can select from a wide range of options.

### Chicago Community Land Trust Ownership Opportunities

The Chicago community Land Trust works in combination with the City's affordable homeownership programs (CPAN, New Homes for Chicago, etc). The City programs, especially when combined with the CCLT, offer many advantages over buying other types of housing:

- New construction or rehabbed homes that are move-in ready.
- Below market prices on units in some of Chicago's most desirable neighborhoods.
- Pre-approval process ensures you are mortgage ready and truly able to afford the home.
- Purchasers of CCLT homes also have access to:
  - Mortgage lenders using pre-approved, quality, affordable loan products
  - Lower, more stable property taxes
  - Post-purchase resources and support to help ensure your success as a homeowner

### PRICING EXAMPLE

	Market Home	CCLT Home
<b>Market Value</b>	\$240,000	\$240,000
<b>Purchase Price</b>	\$240,000	\$165,000
<b>Annual Property Taxes (estimated)</b>	\$4,200	\$2,888
<b>Required Income</b>	\$76,000	\$53,900
<b>Monthly Cost</b>	\$1,900	\$1,347

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How CCLT homeownership works:

- The City provides land and / or subsidies to make affordable homes available for purchase by income-qualified working families.
- Through the County, property taxes are assessed on the affordable price, instead of on the market value.
- In exchange for the subsidies and reduced property taxes:
  - CCLT homeowners agree to resell the home to another income-qualified buyer at an affordable price.
  - The affordable resale price is the original affordable price plus a portion of any increase in the market value, giving the owner a return on his/her investment.
  - The subsidies stay with the home, keeping it affordable to the next family.

### **CCLT Homeowner Support**

The CCLT is a permanent partner with and an on-going resource for its homeowners. CCLT assistance includes:

- Pre and post-purchase workshops, resources and referrals to assist with common first-time homeowner and condo ownership questions.
- Assistance in filing and monitoring property tax incentives appeals for the reduced taxes.
- Pre-purchase homebuyer counseling and educational materials specific to the CCLT.
- A pool of lenders educated about the CCLT and willing to provide mortgages to qualified homebuyers.
- A pool of attorneys trained on the CCLT and the City/CCLT closing process.
- Resale assistance.
- Default / foreclosure prevention assistance.

***Nationally, homes purchased in a Land Trust are 10 times less likely to go into foreclosure than units purchased in the regular Market (per report published in 2011***

***<http://www.cltnetwork.org/Resources/2011-Comprehensive-CLT-Survey>)***

### **Mission**

The CCLT provides and sustains quality, affordable homeownership opportunities and a community of support for working families and individuals in Chicago and preserves these opportunities for future generations.

Founded in 2006, the CCLT is a non-profit corporation that operates citywide and is housed at the City of Chicago Department of Housing and Economic Development. Its Mayorally appointed Board of Directors includes community-based organizations, developers, banks, the legal community, Funders, and others active in affordable housing. Once the CCLT is administering 200 units, one-third of the board will be CCLT homeowners – ensuring that homeowners have a voice in the organization's policies.

**For more information, including income guidelines and a list of available properties, please visit the Chicago Department of Housing and Economic Development website at [www.cityofchicago.org/hed](http://www.cityofchicago.org/hed) or contact Teresa Lambarry at 312-744-5086 or [teresa.lambarry@cityofchicago.org](mailto:teresa.lambarry@cityofchicago.org).**